

Dave Kubeczko - DNR

From: Dave Kubeczko - DNR
Sent: Monday, September 30, 2013 12:01 PM
To: dave.kubeczko@state.co.us
Subject: FW: Gunnison Energy Corporation, Jacobs Federal 1290, #6-32 H1 & H2 Pad, SWNE Sec 6 T12S R90W, Gunnison County, Form 2A #400449426 Review

Categories: Operator Correspondence

Scan No 2106781 CORRESPONDENCE 2A#400449426

From: Lee Fyock [mailto:Lee.Fyock@OXBOW.COM]
Sent: Monday, September 30, 2013 7:49 AM
To: Dave Kubeczko - DNR
Cc: Dan McWilliams; Mike Cleary
Subject: RE: Gunnison Energy Corporation, Jacobs Federal 1290, #6-32 H1 & H2 Pad, SWNE Sec 6 T12S R90W, Gunnison County, Form 2A #400449426 Review

Dave: Gunnison Energy is OK with the COA's listed below. Thank you, Lee Fyock

Lee Fyock
Gunnison Energy Corporation
1801 Broadway, Suite 1200
Denver, CO 80202
Office 303-296-4222
Fax 303-296-4555

From: Dave Kubeczko - DNR [mailto:dave.kubeczko@state.co.us]
Sent: Tuesday, September 24, 2013 8:43 AM
To: Lee Fyock
Subject: FW: Gunnison Energy Corporation, Jacobs Federal 1290, #6-32 H1 & H2 Pad, SWNE Sec 6 T12S R90W, Gunnison County, Form 2A #400449426 Review
Importance: High

Lee,

Resend of Gunnison Energy Corporation, Jacobs Federal 1290, #6-32 H1 & H2 Pad, SWNE Sec 6 T12S R90W, Gunnison County, Form 2A #400449426 Review email sent 09-10-13.

If you have any questions, please do not hesitate to call me at (970) 309-2514 (cell), or email. Thanks.

Dave

David A. Kubeczko, PG
Oil and Gas Location Assessment Specialist
Western Colorado

Colorado Oil & Gas Conservation Commission

Northwest Area Office
796 Megan Avenue, Suite 201
Rifle, CO 81650
FAX: (970) 625-5682
Cell: (970) 309-2514
dave.kubeczko@state.co.us



From: Dave Kubeczko - DNR [mailto:dave.kubeczko@state.co.us]
Sent: Tuesday, September 10, 2013 5:12 PM
To: brett.murray@oxbow.com
Subject: Gunnison Energy Corporation, Jacobs Federal 1290, #6-32 H1 & H2 Pad, SWNE Sec 6 T12S R90W, Gunnison County, Form 2A #400449426 Review

Brett,

I have been reviewing the Jacobs Federal 1290 #6-32 H1 & H2 Pad **Form 2A** #400449426. COGCC would like to attach the following conditions of approval (COAs) based on the data Gunnison Energy has submitted on or attached to the Form 2A prior to passing the Oil and Gas Location Assessment (OGLA) review.

General: The following conditions of approval (COAs) will apply:

- COA 91** - Notify the COGCC 48 hours prior to start of rig mobilization, spud, and start of hydraulic stimulation operations using Form 42 (the appropriate COGCC individuals will automatically be email notified, including the LGD for hydraulic stimulation operations).
- COA 23** - Operator must ensure 110 percent secondary containment for any volume of fluids (excluding freshwater) contained at well site during drilling and completion operations; including, but not limited to, construction of a berm or diversion dike, diversion/collection trenches within and/or outside of berms/dikes, site grading, or other comparable measures (i.e., best management practices (BMPs) associated with stormwater management) sufficiently protective of nearby surface water. Any berm constructed at the well pad location will be stabilized, inspected at regular intervals (at least every 14 days), and maintained in good condition.
- COA 5** - Operator must implement best management practices to contain any unintentional release of fluids, including any fluids conveyed via temporary surface or buried pipelines. Additional containment shall be required where temporary pumps and other necessary equipment or chemicals are located.
- COA 44** - The access road and well pad will be maintained as to not allow any sediment to migrate from the access road to nearby surface water or any drainages leading to surface water.
- COA 76** - Strategically apply fugitive dust control measures, including enforcing established speed limits on private roads, to reduce fugitive dust and coating of vegetation and deposition in water sources.
- COA 25** - Flowback and stimulation fluids must be sent to tanks, separators, or other containment/filtering equipment before the fluids can be placed into any pipeline, storage vessel, or lined pit (only if an amended Form 2A has been submitted/approved and a Form 15 Earthen Pit Permitted has been submitted/approved) located on the well pad; or into tanker trucks for offsite disposal. The flowback and stimulation fluid tanks, separators, or other containment/filtering equipment must be placed on the well pad in an area with additional downgradient perimeter berming. The area where flowback fluids will be stored/reused must be constructed to be sufficiently impervious to contain any spilled or released material.
- COA 38** - The moisture content of any drill cuttings in a cuttings trench, area, or pile shall be as low as practicable to prevent accumulation of liquids greater than de minimis amounts.
- COA 58** - Berms or other containment devices shall be constructed to be sufficiently impervious to contain any spilled or released material around crude oil, condensate, and produced water storage tanks.

Groundwater Baseline Sampling:

COA 9 - Operator shall comply with Rule 609. STATEWIDE GROUNDWATER BASELINE SAMPLING AND MONITORING.

Surface Pipeline COAs: The following conditions of approval (COAs) will apply to both the Form 2A if temporary surface or buried pipelines are used during the hydraulic stimulation operations:

COA 45 - Operator shall pressure test pipelines in accordance with Rule 1101.e.(1) prior to putting into initial service any temporary surface or permanent buried pipelines and following any reconfiguration of the pipeline network. Operator shall notify the COGCC Oil and Gas Location Assessment (OGLA) Specialist for Western Colorado (Dave Kubeczko; email dave.kubeczko@state.co.us) and the COGCC Field Inspector for Northwest Colorado (Chuck Browning; email chuck.browning@state.co.us) 48 hours prior to testing surface poly/steel or buried poly/steel pipelines.

COA 48 - Operator must implement best management practices to contain any unintentional release of fluids along all portions of the surface pipeline route where temporary pumps and other necessary equipment are located.

COA 49 - Operator must routinely inspect the entire length of the surface pipeline to ensure integrity. Operator shall conduct daily inspections of surface poly pipeline routes for leaks during active transfer of fluids. Inspections shall be conducted by viewing the length of the pipeline; operator will endeavor to minimize surface disturbance during pipeline monitoring. The operator shall maintain records of inspections, findings and repairs, if necessary, for the life of the pipelines.

COA 54 - Operator must ensure 110 percent secondary containment for any potential volume of fluids that may be released from the surface pipeline at all sensitive area crossings, including, but not limited to stream, intermittent stream, ditch, and drainage crossings.

COA 55 - Operator will utilize, to the extent practical, all existing access and other public roads, and/or existing pipeline right-of-ways, when placing/routing the surface pipelines. This will reduce surface disturbance and fragmentation of wildlife habitat in the area.

COGCC would appreciate your concurrence with attaching these COAs to the Form 2A permit prior to passing the OGLA review. If you have any questions, please do not hesitate to call me at (970) 309-2514 (cell), or email. Thanks.

Dave

David A. Kubeczko, PG
Oil and Gas Location Assessment Specialist
Western Colorado

Colorado Oil & Gas Conservation Commission
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